

STATE OF INDIANA     )  
                                  ) SS:  
COUNTY OF MARION    )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

IN THE MATTER OF:                     )  
  )  
Scott Grundy                            )  
6730 Shanghai Circle                 )  
Indianapolis, IN 46278                )  
  )  
        Petitioner.                     )  
  )  
Type of Agency Action: Enforcement   )  
  )  
License Application Number: 939928    )

**FILED**

**AUG 19 2022**

STATE OF INDIANA  
DEPT. OF INSURANCE

CAUSE NO.: DOI-2202-000374  
21217-AD22-01118-013

**FINAL ORDER**

On June 22, 2022, the Administrative Law Judge, Ann Pagonis, filed her Findings of Fact, Conclusions of Law and Recommended Order in the above-captioned matter.

1. The Department served Findings of Fact, Conclusions of Law, and Recommended Order on Petitioner by mailing the same to his counsel of record.

2. The Department has complied with the notice requirements of Ind. Code § 4-21.5-3-17.

3. Petitioner's counsel timely filed an objection on July 1, 2022.

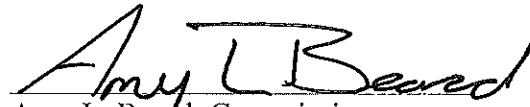
Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. The denial of Petitioner's application for a resident producer license under license application number 939928 is **AFFIRMED**.

Under Ind. Code §4-21.5-5-5, Petitioner has the right to appeal this Final Order by filing a petition for Judicial review in the appropriate court within thirty (30) days.

ALL OF WHICH IS ORDERED by the Commissioner this 19 day of August 2022.

A handwritten signature in black ink that reads "Amy L. Beard". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Amy L. Beard, Commissioner  
Indiana Department of Insurance

Copies to:

Gary M. Selig  
RE: Scott Grundy  
Law Office of Gary M. Selig, P.C.  
1416 N Pennsylvania Street  
Indianapolis, IN 46202

Victoria Hastings, Attorney  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

STATE OF INDIANA	)	BEFORE THE INDIANA
	) SS:	COMMISSIONER OF INSURANCE
COUNTY OF MARION	)	
IN THE MATTER OF:	)	Administrative Cause No.: DOI-2202-000374
	)	Underlying/State Agency Action No.:
	)	21217-AD22-0118-013
<b>Scott Grundy,</b>	)	<b>Type of Agency Action: Enforcement</b>
Petitioner,	)	
	)	<b>License Number: 939928</b>
<b>v.</b>	)	
	)	
<b>Department of Insurance,</b>	)	
Respondent.	)	

**PETITIONER'S OBJECTIONS TO**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW AND RECOMMENDED ORDER**

Comes now the Petitioner, Scott Grundy, by and through his counsel, Gary M. Selig, and in accordance with Indiana Code 4-21.5-3-29(d)(1), and 4-21.5-3-29(d)(2) hereby files his objection to the Administrative Law Judge's "Findings of Fact, Conclusions of Law and Recommended Order" issued on June 22, 2022. In support of his objections, the Petitioner states as follows:

1. An evidentiary hearing was held on this matter on March 24, 2022, at 1:00 PM EST via telephonic conference. Administrative Law Judge Ann Pagonis (herein the "ALJ"), having heard, reviewed, and considered all of the evidence, issued a decision on June 22, 2022, concerning the matter of Scott Grundy (herein the "Petitioner").
2. The Petitioner appeared telephonically with his attorney, Gary M. Selig.
3. The Department of Insurance ("Respondent") was represented by counsel, Victoria Hastings.

4. Petitioner testified on his own behalf in the narrative style and offered four (4) exhibits, identified as Petitioner's Exhibits ("PX") A through D that were admitted into the record by stipulation.
5. Respondent called Kimberly Stowers, Dept. of Insurance Investigator, as a witness and offered four (4) exhibits that were admitted into the record by stipulation and identified as Respondent's Exhibits ("RX") 1, 2, 3, and 5. There is no exhibit 4.
6. The agency action at issue is the Administrative Law Judge's recommendation dated June 22, 2022 to the **Commissioner of the Department of Insurance** that the denial of Scott Grundy's application for a resident produce license under license application number 939928 shall be AFFIRMED.
7. To preserve an objection to the order issued on June 22, 2022 by ALJ Ann Pagonis, the Petitioner is serving and filing his objection, in writing, with the Ultimate Authority, the Commissioner of the Department of Insurance, within fifteen (15) days from the date of this Order. *See* Indiana Code 4-21.5-3-29.
8. Your Petitioner has been prejudiced by the ALJ's Recommended Order within the meaning of Indiana Code 4-21.5-5-14.
9. Petitioner acknowledges the Commissioner may refuse to issue a license to an individual who has been convicted of a felony under Indiana Code 27-1-15.6-12(b)(6).
10. Petitioner acknowledges that the "Commissioner may use discretion in deciding whether to issue a license and may weigh such factors as the length of time that has passed since the felony conviction, the nature of the crime from which the felony conviction arose, Petitioner's credibility, remedial activity that the Petitioner has

engaged in, and Petitioner's rehabilitation (*citations omitted*).” *See Conclusion of Law No. 10* of ALJ's “Findings of Fact, Conclusions of Law, and Recommended Order”.

11. Petitioner would further note that the ALJ found that the “second felony conviction is from just last year. While Petitioner demonstrated that he is working to address the substance use problem that the felony convictions stem from, it is not unreasonable for the Commissioner to deny his license because Petitioner has multiple felony convictions and one is recent.” *See Id.*
12. Prejudice to the Petitioner occurred within the meaning of Indiana Code 4-21.5-5-14(1) because the ALJ's Recommended Order was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance of law in finding that “Petitioner has not met his burden of proving that the Commissioner's decision not to issue him a license was unreasonable.”
13. Prejudice to the Petitioner occurred within the meaning of Indiana Code 4-21.5-5-14(5) because the ALJ's Recommended Order was unsupported by substantial evidence in finding that “Petitioner has not met his burden of proving that the Commissioner's decision not to issue him a license was unreasonable.”
14. More specifically, your Petitioner truthfully filled out the resident producer application and his answers were not evasive or inaccurate.
15. Petitioner's application contained a letter of explanation as permitted by the Department of Insurance and is part of the applicant's file. *See RX exhibit 1.*

16. The ALJ failed to address specifically in her findings of fact and conclusions of law that your Petitioner's criminal history does not involve any crimes of dishonesty nor are the Petitioner's convictions such that it would be a discredit to the Indiana Department of Insurance, endanger society, or prevent him from carrying out his duties as a licensed insurance provider.
17. It was not refuted nor disputed that the Petitioner testified that he has undergone appraisal education, completed and received a certification for completing a six-week Intensive Chemical Dependency Outpatient Program at IU Health Methodist on 8/26/2021 that was not court ordered; that he undertook individual counseling subsequent to completing his IOP course to address such matters as anger issues and his past conduct, with the root causes being alcohol related.
18. It was not refuted nor disputed that the Petitioner received an Employment Offer Letter from State Farm Insurance Company, revised 1/30/2022, subject to the Petitioner testifying to the fact that he had to submit to a criminal background check by State Farm (*See PX exhibits B, C, and D*) and that the Petitioner testified that he has held Life and Health insurance licenses, previously, and that he has an active NMLS license.
19. For the foregoing reasons, as stated above, with reasonable particularity, Petitioner, respectfully **objects** to the ALJ's "Findings of Fact, Conclusions of Law, and Recommended Order."
20. The Petitioner did meet his burden of proving that the Commissioner's decision not to issue him a resident producer license was unreasonable.

WHEREFORE, Petitioner, Scott Grundy, prays the **Commission of the Department of Insurance** does NOT affirm the denial of Scott Grundy's application for a resident producer license under license application number 939928, and for all other relief just and proper in the premises.

Respectfully submitted,

**Gary M. Selig, #21080-49**

Gary M. Selig – Counsel for  
Petitioner, Scott Grundy  
Law Office of Gary M. Selig, P.C.  
1416 N. Pennsylvania Street  
Indianapolis, Indiana 46202  
Ph. 317-202-3202  
[gselig14@gmail.com](mailto:gselig14@gmail.com)

**CERTIFICATE OF SERVICE**

I hereby certify that I have served and filed a copy of the foregoing upon the ultimate authority, the Commissioner of the Department of Insurance this 1<sup>st</sup> day of July, 2022 as follows:

Indiana Department of Insurance – Respondent, served upon Counsel Samantha Aldridge and Victoria Hastings, by E-Mail at: [saldrige@idoi.in.gov](mailto:saldrige@idoi.in.gov), [vhastings@idoi.in.gov](mailto:vhastings@idoi.in.gov)

IDOI Commissioner – Ultimate Authority, served upon Dawn Bopp by E-mail at: [DBopp@idoi.in.gov](mailto:DBopp@idoi.in.gov), [OALP@oalp.in.gov](mailto:OALP@oalp.in.gov)

and via U.S. Mail, Certified Mail, Article # 7021 2720 0001 3652 9010, addressed to: Indiana Office of Administrative Law Proceedings, 100 N. Senate Ave., Rm N-802, Indianapolis, IN 46204.



**FILED:** Feb 25, 2022

**STATE OF INDIANA  
OFFICE OF ADMINISTRATIVE LAW PROCEEDINGS**

Scott Grundy,

**Petitioner,**

V.

Department of Insurance,

**Respondent.**

Administrative Cause No.: DOI-2202-000374

Underlying Agency Action No.: 21217-AD22-0118-013 License Application 939928

*Final Agency Authority:* The Commissioner of the Department of Insurance

**NOTICE OF ASSIGNMENT OF ADMINISTRATIVE LAW JUDGE, NOTICE OF FILING PROCEDURES,  
and ORDER SETTING EVIDENTIARY HEARING**

This complaint has been presented to the Office of Administrative Law Proceedings for review. An Administrative Law Judge (ALJ) has been assigned to preside over your case and is the **Honorable Ann Pagonis**.

This Notice also informs you of how you may file documents with the ALJ and contact the OALP while your case is pending. **Incorrectly addressed filings may not be processed correctly, resulting in the failure to file.**

1. Your administrative cause number is listed at the top of this Notice.

2. File documents electronically at [OALP@oalp.IN.gov](mailto:OALP@oalp.IN.gov); or

File Documents by postal mail at:

Office of Administrative Law Proceedings

Attn: [write your Administrative Cause No.]

100 N. Senate Ave., Rm. N-802

Indianapolis, IN 46204

3. Each Party should serve documents on ALL parties to the case.



4. Any exhibits filed with OALP will be file stamped but considered Proposed Exhibits only until formally tendered during an evidentiary hearing and either admitted or not by the ALJ.
5. Parties should redact sensitive, non-relevant information from any documents which they file with the ALJ. (Examples: social security numbers, confidential trade secrets.)
6. *Ex parte* contact – whether direct or indirect communication with an adjudicator and regarding any issue in the pending proceeding without notice and opportunity for all Parties to participate in the communication – is forbidden by law.

**How parties will receive orders from the ALJ:**

1. Parties with valid email addresses filed with OALP will receive electronic service of documents from “ALP Support Team” with the subject “ALP EService”. The link is only valid for 21 days.
  - a. Note: Attorney email addresses sync with the Indiana Roll of Attorneys. Attorneys must update their “E-notification and E-service” email address.
2. Parties with mailing address only will receive service though U.S. Postal Mail.

Questions Concerning document filings/motions may be directed to OALP support staff at: [OALP@oalp.IN.gov](mailto:OALP@oalp.IN.gov) or by appearing at the address provided.

**ORDER SETTING EVIDENTIARY HEARING**

Notice is hereby given, pursuant to Indiana Code § 4-21.5-3 *et seq.*, that an audio-only evidentiary hearing will be held on this matter. The hearing will be conducted in accordance with the provisions of the Administrative Orders and Procedures Act, codified at Indiana Code § 4-21.5-3 *et seq.*

Should either party wish to have a pre-hearing conference prior to the evidentiary hearing, then the party may submit a motion requesting a pre-hearing conference. Upon receipt of motion for a pre-hearing conference, the ALJ shall schedule a pre-hearing conference pursuant to IC § 4-21.5-3-18. Such request may serve as a waiver of any requirement to have the evidentiary hearing within a certain number of days.

### EVIDENTIARY HEARING INFORMATION

The date of the evidentiary hearing is: **Thursday, March 24, 2022**

The evidentiary hearing will begin at: **1:00 P.M. EST.**

The hearing will be conducted as: **Audio Only via Microsoft Teams Conference Line**

Details for Conference Line:

Dial Call in Phone Number: 317-552-1674

Enter Conference ID: 721 462 802#

The Parties are not prohibited from contacting the other to resolve the case prior to a hearing. A party who fails to attend or participate in a pre-hearing conference, hearing, or other later stage of the proceeding, may be held in default or have a proceeding dismissed under Indiana Code § 4-21.5-3-24.

SO ORDERED: February 25, 2022



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Hon. Ann Pagonis

Administrative Law Judge

Indiana Office of Administrative Law Proceedings

STATE OF INDIANA     )  
                                  ) SS:  
COUNTY OF MARION    )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NO.: 21217-AD22-0118-013

IN THE MATTER OF:                     )

Scott Grundy                             )  
6730 Shanghai Circle                   )  
Indianapolis, IN 46278                 )

Applicant.                               )

Type of Agency Action: Enforcement    )

License Application #: 939928            )

**FILED**

**FEB 23 2022**

STATE OF INDIANA  
DEPT. OF INSURANCE

**PRELIMINARY ADMINISTRATIVE ORDER**  
**AND NOTICE OF LICENSE DENIAL**

The Indiana Department of Insurance, pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.* and Indiana Code § 27-1-15.6-12, hereby gives notice to Scott Grundy ("Applicant") of the following Administrative Order:

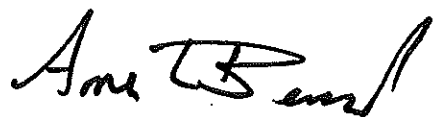
1. Applicant submitted an application for resident producer licensure with the Commissioner of the Indiana Department of Insurance ("Commissioner") on January 10, 2022.
2. Before approving an application, the Commissioner must find that the Applicant has met specific requirements under Indiana Code § 27-1-15.6-6 and Indiana Code § 27-1-15.6-12.
3. Indiana Code § 27-1-15.6-12(b)(6) authorizes the Commissioner to refuse to issue a producer's license for having been convicted of a felony.
4. Following a review of public records and the materials submitted by Applicant in support of his application, the Commissioner being fully advised, now hereby notifies Applicant that he has not fully met the requirements of licensure as stated by Indiana Code § 27-1-

15.6-12(b)(6) due to Applicant's criminal history, which includes the following convictions:

- a. December 13, 2021, conviction for Operating a Vehicle While Intoxicated – Prior Conviction, a Level 6 Felony, in the State of Indiana;
  - b. August 13, 2014, conviction for Aggravated Battery, a Class B Felony, in the State of Indiana; and
  - c. July 30, 2019, conviction for Operating a Vehicle While Intoxicated - Prior Conviction, a Class D Felony, in the State of Indiana.
5. Indiana Code § 27-1-15.6-12(d) provides that the applicant may, not more than sixty-three (63) days after notice of denial of the application is mailed, make written demand to the Commissioner for a hearing before the Commissioner to determine the reasonableness of the Commissioner's action.
6. This is considered an agency action. This action has been initiated by the aforementioned authority. If you choose to appeal this agency action, the State of Indiana Office of Administrative Law Proceedings ("OALP") will assign an administrative law judge to preside over this matter, and subsequently you will be contacted by the OALP with more information to begin the administrative process.

**IT IS THEREFORE ORDERED** that Applicant's request for licensure is hereby **DENIED** pursuant to Indiana Code § 27-1-15.6-12(b)(6) due to his criminal history, which includes multiple felony convictions. Applicant may reapply for licensure not less than one (1) year from the date of this order.

2/23/22  
Date Signed

  
\_\_\_\_\_  
Amy L. Beard, Commissioner  
Indiana Department of Insurance

Distribution to:

Scott Grundy  
6730 Shanghai Circle  
Indianapolis, IN 46278

Victoria Hastings, Attorney  
ATTN: Kimberly Stowers, Insurance Investigator  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204  
317-232-7138, fax 317 234-2103